The A. F. of L. Weekly News Service gives news accounts and editorial interpretation of important developments occurring in the industrial, legislative, and political fields, and considers other information of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

Entered as second-class matter September 26, 1912, at the Post Office at Washington, D. C., under the Act of August 24, 1912. Acceptance for mailing at special rate of postage provided for in Sec. 1103, Act of October 3, 1917, authorized July 11, 1918.

You cannot dream yourself into a character; you must hammer and forge one for yourself.—Froude.

WHOLE NO. 1277 WILLIAM GREEN, President WASHINGTON, D. C., SATURDAY, OCTOBER 5, 1935 FRANK MORRISON, Secretary VOL. 25, NO. 40

EDITORIALS

Industry and Unemployment

Unemployment statistics compiled by the American Federation of Labor indicate that around 11,000,000 able-bodied adult workers are still denied employment in industry.

These statistics also show that those who own and control industry are making practically no headway toward solving the unemployment problem which has been intensified every year since the beginning of the depression by the addition of hundreds of thousands of young persons who have reached working age only to find themselves locked out of work opportunities and driven into the ranks of the jobless army.

In fact, the records of employers demonstrate that instead of attempting to solve the unemployment problem by putting the jobless to work they have directed their efforts toward increasing the number of the unemployed. This was dramatically pointed out recently by President Roosevelt who declared that during the last five years officials of big industrial corporations have installed such a large amount of labor-displacing machinery that only 80 per cent of the workers employed in 1929 would now be required to operate industry on the peak basis of that year.

In addition to increasing the number of the unemployed by the wholesale installation of job-slaughtering machinery, industry has persistently refused to shorten the work week. Moreover, since the Supreme Court of the United States held the National Industrial Recovery Act and the fair practice codes established under it unconstitutional, employers all over the country have deliberately lengthened the work week.

In view of this continued policy of increasing the unemployed by substituting machinery for working men and women, and not only refusing to shorten hours but in many instances increasing them, it is interesting to note President Roosevelt's declaration in his Builder Trade address that industry and employers are now expected to get busy and put the millions of jobless to work.

Declaring that by temporarily employing large numbers of the unemployed on public works the Government has "created the necessary purchasing power to throw in the clutch to start the wheels of what we call private industry," and that many industries have been revived by this process, the President added:

"It is a simple fact that Government spending is already beginning to show definite signs of its effect on consumer spending; that the putting of people to work by the Government has put other people to work through private employment, and that in two and one-half years we have come to the point where private industry must bear the principal responsibility of keeping the processes of greater employment moving forward with accelerated speed."

The experience of the last five years conclusively shows that those who control the policies of "private industry" are not in accord with the President's views regarding their duty in solving the unemployment problem. These men have the power to provide jobs for the jobless by shortening the work week. They will not do this unless they are subject to a compelling force. Such a compelling force is contained in the Black-Connery Thirty-Hour Bill closing the channels of interstate commerce to industries which employ their workers in excess of thirty hours per week.

With the Black-Connery Bill the law of the land there would be sufficient legal force to overcome the opposition of employers to shortening the work week and compel them to do something tangible and constructive toward re-employing the millions of workers who are now temporarily supported by Government relief projects and other millions who are rapidly approaching the point where Government relief will be necessary.

The Constitution and General Welfare

The representatives of many corporations have gotten into the limelight with "protect the Constitution" as the smoke screen behind which they attempt to hide their activities against the welfare of the masses. The reactionary position of these industrial Bourbons and their sycophantic lawyers lends interest to the interpretation of the Constitution in terms of the people's rights given by President Roosevelt in his speech at Fremont, Nebraska, outlining the great improvement in the farmers' economic conditions during the past two years under the Agricultural Adjustment Act.

Mr. Roosevelt suggested that one of the most important gains under the agricultural policy "is the development of the farmer's ability, through cooperation with other farmers, to direct and control the conditions of his life."

This cooperation, he said, is obtained by the farmers themselves planning and operating the Agricultural Adjustment Act programs "through nearly 8,000 county production control associations, which are manned by more than 100,000 committee men and which number among their members more than 3,000,000 adjustment contract signers."

Pointing out that "the Government's part in this program is merely to supply the unifying element that the farmers themselves, in their past efforts, found so essential to success," the President added:

"That, it seems to me, is the true function of Government under our Constitution—to promote the general welfare, not by interfering unduly with individual liberty, but by bringing to the aid of the individual the powers of Government which are essential to assure the continuance of the inalienable rights which the Constitution is intended to guarantee. It is Democracy in the good old American sense of the word."

Declaring that the Agricultural Adjustment Act constitutes an "enduring principle" adopted by "a nation facing the realities of today and prudently taking thought for tomorrow," and expressing the belief that "the farmers of America will always be able to guard the principles of liberty and democracy for which their ancestors fought" during the early days of the Republic, the President continued:

"I like to think that agricultural adjustment is an expression, in concrete form, of the human rights those former patriots sought to win when they stood at the bridge at Concord, when they proclaimed the Declaration of Independence and when they perpetuated these ideals by the adoption of the Constitution.

"Methods and mahinery change, but principles go on, and I have faith that, no matter what attempts may be made to tear it down, the principle of farm equality expressed by agricultural adjustment will not die."

The underlying thought of the President evidently is that the provisions of the Constitution are and must be adequate to protect the vital interests of the masses of the people under the changing methods of production and distribution. It is evident that to hold otherwise would be to excommunicate the masses from the Constitution and limit its protection to those who exploit the general public.

FERRERO CONDEMNS MUSSOLINI'S DICTATORSHIP AS WORLD MENACE

By A. F. of L. News Service.

Guglielmo Ferrero, the noted Italian historian, is firmly convinced that Fascism, brought into its most virulent form by Mussolini's proposed subjugation of Ethiopia, is the outstanding menace to the entire civilized world.

One of the first victims of Mussolini's dictatorship now an exile in Switzerland, he gives, in a copyrighted article in the St. Louis Post-Dispatch, the following picture of the rise to power of Mussolini's despotism based on military force and the suppression of civil liberty:

"A war between Ethiopia and Italy might have the greatest repercussions. But has not the Italian Government been preparing for twelve years, before the eyes of the world, openly, almost ostentatiously, if not for this war, at any rate for A war?

"Italy has not concealed it. We must at least give it credit for the merit of its frankness. It announced and proclaimed it in all directions.

"Italy has spent huge sums on armaments which were not justified by any necessity of defense.

"It has militarized the whole population from 12 to 55 years. It has placed guns in the hands of children.

"It has made conquering imperialism into an official doctrine, taught in the schools.

"It has imprisoned, deported, exiled all the pacifists, burned their books, suppressed their newspapers!

"What more could it do to inform the world of its intentions?"

Mr. Ferrero deplores the fact that the democratic nations of the western world have permitted the principles of Fascism, which he says is a resurrection of the Prussian military imperialism of pre-World War times, to go unchallenged and unopposed. He says, although the war was fought to end military dictatorships that evil has arisen in new strength under diverse forms and seriously menaces democratic governments and institutions.

He expresses the hope that Mussolini's preparations to make war on Ethiopia will focus attention of the democratic nations on the menace of Fascism as never before and will lead them to take the necessary steps to strike the evil of military and other dictatorships at their roots.

Blue Eagle's Death Opened New Field For Union Goods, AFL Dept. Says

Officials of Union Label Unit Claim NRA Insignia Excluded Trade Union Standards and Endorsed Joint Employer-Employe Labels.

Publicity, Advertising, Cartoons, Posters and Radio Talks Are Included in Department's Activities to Promote Demand For Products Made by Organized Workers.

By A. F. of L. News Service.

Atlantic City, N. J.—The inadequacy of the protection given organized workers by the Blue Eagle insignia set up under authority of the National Industrial Recovery Act, held unconstitutional by the U. S. Supreme Court, and the extended field opened for the market of union label goods and services by the Blue Eagle's abolition featured the report which the Executive Board of the Union Label Trades Department of the American Federation of Labor made to the annual convention of the Department here.

The report was signed by Matthew Woll, president; M. M. Ornburn, secretary-treasurer, and the following vice presidents: Joseph Obergfell, A. A. Myrup, Chas. P. Howard, John J. Mara and T. A. Rickert.

"A year ago," the report said, "we directed the attention of the developing and dangerous use of the Blue Eagle label as then promoted through the NRA.

"We pointed out then how the furtherance of a national campaign, undertaken by the Federal Government, had for the time being, lessened considerably the value of our union labels, shop cards and buttons.

"We indicated clearly the dangers involved in the encouragement of a temporary governmental label campaign which did not and could not embrace trade union standards and requirements.

"We made clear that the Blue Eagle label did not distinguish between goods produced in European and Asiatic countries and goods produced on the North American continents, goods produced under union conditions and goods produced under non-union conditions.

"We likewise directed attention to the possible dangers of the Blue Eagle label being used jointly by employers and organized labor, in that such a relationship would undermine and destroy trade union ownership and control of union labels, shop cards and buttons heretofore used or to be developed and used in the future.

"All these indications of approaching dangers were well founded. With the ending of the NRA, their potential dangers have passed.

"Only in one or two instances are the labels being used by associated employers and organized labor. Special circumstances, at least for the time being, may be credited for the continuance of that relationship. It is not anticipated that this practice will increase.

"To the contrary, it is difficult to conceive that a trade union, once having adopted and fully realized the value of a trade union label, shop card or button, will thereafter consent to its joint ownership and control with employers.

"We are likewise confident where no trade union label has as yet been adopted, but a joint trade label is being used, that future events will indicate the wisdom of the use of an independent trade union emblem.

Union Label Spirit Revived

"It is our good fortune to report that with the ending of the Blue Eagle label campaign, a new spirit of life was breathed into the campaign for the reawakening in the demand for the union label, shop cards and buttons of our affiliated unions.

"With the American mind aroused to the necessity of maintaining fair trade standards and relationship, and having become familiar with the value of the appeal of a label or emblem for identification, the demand for the union label, shop card and button has a new importance and an immediate rise.

"Cognizant of this state of public mind, every advantage and opportunity was seized in furtherance of this development.

Public Demand for Union-Made Goods

"It must be quite clear that organized labor's policy and strategy of identifying goods produced and services rendered by trade union workers and under union conditions, and then arousing the public to prefer such goods and services to all others, received not only general but unanimous approval by the Blue Eagle label campaign of the Federal Government. Labor had previously pointed out the way.

"It must be equally evident that by this national experience, labor's campaign for the advancement of union label goods and services has had presented to it opportunities heretofore unavailable. Surely, if the Government is justified in advancing and maintaining fair standards of work and of industrial relations by means of boycotting those who do not adhere to such standards and enforcing such boycott by denial of a label designed for that purpose, how much more justified is labor itself in adopting a union label, shop card or button for the encouragement of the sale of union-made goods and non-rendered services, and for the maintaining of collective employment standards agreed to between employers and organized workers.

"All these developments should and must prove a real source of inspiration to all engaged in the work of promoting our union labels, shop cards and buttons."

Union Label Propaganda

In its campaign for promoting the sale of union label goods and services during the past year the Department distributed editorials and labor cartoons for the Labor Press, placed advertisements in independent weekly publications of large circulation and contests for newspapers and for display in labor temples and other public places, sponsored a number of radio talks and speeches featuring the advantages of union labels and stimulated the work of union label leagues.

In addition, officials of the Department or its designated representatives made union label addresses before a large number of conventions of national and international unions and state federations of labor.

Chairman Doughton of House Ways and Means Committee Defends Real Need For Federal Old-Age Pension System

Says It Is Duty of National Government To Share With States Responsibility for Protecting 6,500,000 Indigent Aged—Annual Cost Will Reach $800,000,000 in Ten Years—Claims Workers 40 or 50 Years Old Are Refused Employment.

With Big Business organizations attacking the work Federal Social Security Law, it is instructive to know the underlying reasons which actuated Congress to include long term financial assistance by the United States Government to enable the various States to maintain adequate pensions for needy aged persons. In a recent address, Robert L. Doughton, chairman of the Ways and Means Committee, which reported the bill to the House of Representatives, made the following statement on the necessity for well-supported State old-age pensions systems assisted by the National Government.

By HON. ROBERT L. DOUGHTON

Chairman, Ways and Means Committee, U. S. House of Representatives

Many factors combine to make old-age dependency one of our greatest social problems.

The number of aged persons in our population has been increasing for several decades. In 1930 there were 6,500,000 persons in this country over 65 years of age. Within the next 25 years it is estimated that this number will more than double, reaching a total of 15 million persons.

Not only is the number of aged persons rapidly increasing, but the percentage of persons over 65 years of age to the total population is also rapidly increasing. In 1860 only 2.7 per cent of our population was over 65 years of age; by 1930 it had increased to 5.4, and it is estimated that by 1970 it will be over 10 per cent.

Employers Ban Workers Over Forty

The old-age problem is not a numerical problem alone. The amount of dependency among aged persons is also rapidly increasing.

The plight of the aged wage earner who has lost his job is only too well known. Industry demands younger workers, with the result that wage earners find it difficult to obtain and secure employment after the age of 40 or 50.

Million on Public Relief

At the present time it is estimated that approximately half of the 6,500,000 persons in this country over 65 years of age are dependent upon others—approximately one million receiving public relief.

The others are being cared for by relatives and friends, by private charity, by insufficient means but too proud to accept public assistance except as a last resort, or, finally, by extremely doubtful whether more than a few of this number will ever again be self-supporting.

Low Wages Imposed

The number of persons now over 50 years of age receiving public relief is much larger. Of this group, many if not most will never be able to find suitable employment again.

Those who do will be employed at a very great reduction in the wages formerly enjoyed.

Even with the return of prosperity, we may be quite sure that the old-age problem may become more and more acute as time goes on.

Millions of workers now middle-aged or approaching old age have seen their life savings swept away during the depression and now face old age with a degree of insecurity never known heretofore.

The problem calls for immediate action to relieve the suffering and distress of those who are already old and who have been the victims of our economic disorder, but it calls further for a wise long-time plan of action which will be practicable, which will be within our economic ability, and which will provide in the future a maximum of security to the individual against old-age dependency.

Poorhouses Condemned

There is a widespread demand throughout the country for a better and more humane and self-respecting method of caring for our dependent aged persons. The serious shortcomings of the care provided old persons in our poorhouses and the unhappy influences attached to these institutions has rendered them unacceptable to public-minded persons for years.

Twenty-nine States and the Territories of Hawaii and Alaska have provided for State old-age assistance, commonly called 'old-age pensions,' based on the policy that needy old persons should be maintained in their own homes rather than subjected to institutional treatment.

Aged Are in Class by Themselves

It must be recognized that aged persons in need of public assistance are in a different class from the ordinary relief cases. There is no question of returning them to society as a wage earner. Their time of gainful employment has passed. There is a widespread sentiment that the assistance granted them should not carry the stigma of paupers' relief.

There is a growing feeling also that society can afford to take care of its needy aged upon a more adequate and more respectable basis than heretofore and should not longer subject them to competition with younger workers seeking employment.

Since the first State old-age pension law was enacted in 1923, the movement has spread rapidly, so that 29 States and two Territories have such laws, many of them are inoperative for lack of funds or because of the low tax of the wealthier counties of the States.

Responsibility Is National

The problem of dependency in old age is primarily a national one and responsibility, though we must not overlook its natural or local resources.

Relatively few persons now reside within the same State throughout their lifetime. Old-age pensions should rest exclusively by the State and local governments mean that only the wealthier States and the wealthier communities within those States will actually be able to provide such aid.

In other communities old-age pensions can be provided only at the expense of the schools or other essential functions of government. The need for Federal aid is so obvious that it hardly requires a statement.

Federal Aid Is Necessary

Title I of the Social Security Bill provides Federal aid to State old-age pensions up to 50 per cent of their expenditures for this purpose but not exceeding $15 per month per person, and authorizes an appropriation of $49,750,000 for the first year.

It is anticipated that, owing to securing full operation of the State systems, it is estimated that the appropriation for the fiscal year will be less than half of what will be needed thereafter. In fact, it is believed that the amount necessary will rise rapidly as the State systems become effective, and that by the end of ten years the Federal Government will have to contribute several times this amount.

$800,000,000 Said Unlevied

The actuaries of the Committee on Economic Security have estimated that the old-age pensions encouraged by the total cost of old-age pensions will mount to $800,000,000 within 10 years, half of which would be borne by the Federal Government.

These estimates are probably high, but they indicate the very great financial burden of old-age assistance even upon a moderate scale. They show conclusively the need for Federal aid to the States to make old-age pensions possible.

Montgomery Ward Executive Opposes Social Security Taxes

In connection with Representative Doughton's story of the necessity for Federal assistance to State old-age pension systems, it is interesting to note that Sewell L. Avery, president of Montgomery Ward and Co., nationally known mail order concern with headquarters in Chicago, is emphatically opposed to taxation for this purpose. In his recent semi-annual report to stockholders, Mr. Avery claims the "Federal Social Security Legislation" recently enacted by Congress will increase the annual tax of Montgomery Ward and Co. from "$200,000 to $600,000, cumulative each year," and urges the stockholders to mobilize their influence to end "burdensome and unjust taxes."

30,000 IDLE ARTISTIC WORKERS WILL RECEIVE EMPLOYMENT FROM WPA

By A. F. of L. News Service.

Washington, D. C.—Definite progress is being made in relieving the distress of unemployed writers, painters, musicians and artists, numbering around 30,000, by means of the $27,316,217 which President Roosevelt placed at the disposal of Harry L. Hopkins, Works Progress Administrator, for subsidizing cultural projects.

The employment drive in the arts program, as directed by Bruce McClure, head of the WPA division of professional and service projects.

The chiefs of the four WPA artistic divisions and the number of jobless it will undertake to employ are: Dr. Nikolai Sokkoloff, Weston, Conn., music, 10,000, including 700 unskilled laborers; Hallie Flannagan, Vassar College, 5,000 actors and 3,000 stage technicians; Holger Cahill, New York, 7,000 artists besides clerical assistants; Henry G. Alsberg, Washington, D. C., 6,500 writers and other professional classes.

Guide Book of United States

It was stated that a large part of the writing program will be devoted to preparing a guide book of the United States which will contain much valuable historical, sociological and other material. The book will be in five volumes and according to the plan will be deposited in every city, town and village so as to be available for use in the preparation of theses by students. It will also be sold for "a nominal sum."

"The purpose of the drama program," the WPA announcement said, "aside from giving employment of needy workers in the field, is to establish standards of theatre production which will improve the skills of the artists and stimulate appreciation of the drama, and to develop methods by which the drama units may become self-supporting in whole or in part by providing entertainment to large audiences at low cost through educational and recreational program."

to all engaged in the work of promoting our union labels, shop cards and buttons."

Union Label Propaganda

In its campaign for promoting the sale of union label goods and services during the past year the Department distributed editorials and labor cartoons for the Labor Press, placed advertisements in independent weekly publications of large circulation and contests for newspapers and for display in labor temples and other public places, sponsored a number of radio talks and speeches featuring the advantages of union labels and stimulated the work of union label leagues.

In addition, officials of the Department or its designated representatives made union label addresses before a large number of conventions of national and international unions and state federations of labor.

AFL Metal Trades Department Officers Urge Shorter Hours and Higher Wages

President Frey and Secretary Calvin Say Machinery Deprives Hundreds of Thousands Of Jobs.

Workers' Output Increases, But Their Share of Value Created Is Slashed by Employers While Profit Is Boosted.

By A. F. of L. News Service.

Atlantic City, N. J.—Strong emphasis on the necessity of drastic reduction in hours of labor to provide employment for the army of jobless thrown out of work by labor-displacing machinery, increased wages for all workers to provide adequate purchasing power for the products of industry, and vigorous criticism of those who control industry for their policy of taking as private profit a larger and larger portion of the value added by manufacture in mines, agriculture and paying the workers, who make it create the value, an ever decreasing portion in wages despite increased output, featured the report of John P. Frey, president, and W. A. Calvin, secretary-treasurer, of the Metal Trades Department of the American Federation of Labor to the twenty-seventh annual convention of the Department here.

Machine Slaughter of Jobs

"During the ten years ending in 1929," the report said, "over 900,000 wage earners were eliminated from the manufacturing industries. The total volume of production in 1929 was enormously greater than ten years before."

Citing Dr. Frederick C. Mills as an accepted authority on the question, the report declared that the "average increase in the individual workman's output per hour from 1919 to 1933 was 71 per cent, and this recent development of machinery and labor-displacing methods has decreased very largely the number of workers required per commodity unit. . . ."

To illustrate this continual wholesale slaughter of jobs by machinery the report said:

"In 1923 workmen in the manufacturing industries were required in 1933 to produce the same volume of production during the 10 workmen in 1919.

"This astounding reduction in the number of workers required to produce the same volume of manufactured goods during the fourteen years ending in 1933 has been exceeded by the increase of per capita production in the manufacturing industries during the two years between January 1, 1933, and January 1, 1935.

"In the automobile industry on January 1, 1933, but 83 were necessary to produce the same number of automobiles on January 1, 1935.

"But 78 workmen were required in the cigar industry in 1933 to produce the work requiring 100 workmen during the same period.

"In the worsted industry, but 77 workmen were required to produce the same volume of manufactured goods which required 100 workmen in January 1, 1933.

"During the same period the number of workmen required to produce the same volume of crude petroleum was reduced from 100 to 77.

"The greatest increase in output per workman took place in the blast furnaces, steel works and rolling mills. But 71 workmen were required in January 1, 1935, to produce the same quantity of steel as required 100 workmen January 1, 1933."

Shorter Hours, Higher Wages

To remedy this deplorable situation resulting from the employers' policy of continuously introducing machinery to displace working men and women, the report reaffirmed the soundness of the declaration of the 1930 convention of the Metal Trades Department that the work day in the manufacturing industries should be cut to five hours.

"The work week and the work day," the report declared, "must be materially reduced unless we are to permit a growing army of unemployed as a permanent feature of our vaunted industrial system."

The report also insisted that hours reduction must be accompanied by large increases in the total wages paid the private workers.

In support of this demand for higher wages the report claimed that the underlying reason for the industrial depression which broke out in 1929 was the fact that over many years "private profit continually took larger shares" of the total value of manufactured goods, while labor was less able to purchase the agricultural and manufactured products."

Output Increases, Wages Are Cut

Citing the United States Census of Manufactures as competent authority to prove this inequitable distribution of purchasing power, the report said:

"These Federal statistics indicate, among other things, that in 1899 $4.60 was paid as wages for every $100 of value added by manufacture.

"With the exception of the years 1919, 1921 and 1923, there was a continuous reduction in the proportion of wages paid to the value added by manufacture.

"In 1923 it was $42.60 for $100 of value added by manufacture. This proportion dropped to $39.30 in 1927; $36.40 in 1929, and for 1933 it was but $36.00. This was $6.60 less for each $100 of value added by manufacture than was paid in 1899."

Charging that this industrial policy of paying the workers "a progressively smaller proportion of wages compared to the value of manufactured goods" is economically and socially unsound, the report held that the workers only have the shorter work week, but that the shorter hours must be accompanied with "a material increase in the amount of wages paid," for the reason that "reducing the hours of labor is the point where there is employment for all, without increasing the volume of the payroll, would be the point where we have been for the last six years."

Higher Wages Necessary for Recovery

"The nation," the report concluded, "is now passing through the most desperate industrial crisis in its history. . . .

"The wages lag lies at the very core of recovery.

"In the last analysis, a question of the individual workman's welfare, for the problem involves the question of whether or not economic recovery is to has become a patriotic duty to stimulate and increase consumption by the only practical and economically sound manner that this can be done—increasing the volume of wages in proportion to the value created by industry."

Regulating the Coal Industry

By A. F. of L. News Service.

The organization of the National Bituminous Coal Commission inaugurates a constructive policy of restoring to prosperity an industry whose life blood has been sapped by cut-throat competition, with profits for many operators reduced to the vanishing point and wages for the miners always subject to attack based on the claim that low prices make decent living standards for those who dig the coal impossible.

Under the law enacted by the recent session of Congress, the Commission is required to formulate a code for the bituminous coal industry providing for cooperative marketing, price fixing, and elimination of unfair trade practices.

The labor provisions, which the law stipulates must be included in the code, will be administered by the Bituminous Coal Labor Board. They are designed to protect the coal miners in their efforts to organize in bona fide unions and bargain collectively "free from interference, restraint or coercion of employers." Provisions for fixing minimum wages and maximum hours are included in the labor section.

For administrative purposes the soft coal producing regions are divided into 23 districts. In each district the coal producers will elect a board of not less than 3 nor more than 17 members to administer the code. Marketing agencies may be set up by voluntary associations of producers in each district with power to establish minimum prices subject to the approval of the Coal Commission.

In order to protect consumers from "unreasonably high prices," the Commission is authorized to fix maximum prices in any district where in the judgment of the Commission the "public interest" requires such action.

As an inducement for coal operators to join with the Government in stabilizing the soft coal industry, the law stipulates that a tax of 15 per cent on coal sold by producers who refuse to accept the code and who obey the code will be allowed a 90 per cent credit against the tax.

In addition to formulating and administering the coal code, the National Commission is instructed to make a survey of the bituminous coal industry. One of these, of especial interest to miners, includes the rehabilitation of mine workers displaced from employment, and the relief of mine workers partially employed." The Commission is instructed to transmit its findings and recommendations "to the proper agency of the Government for relief, rehabilitation, and subsistance homesteads."

The other studies which the Act instructs the Commission to make cover the economic operation of mines in the interest of conserving the national coal resources, the safe operation of mines to induce the number of fatal and non-fatal accidents to which mine workers are exposed, and marketing problems with the object of lowering distribution cost and thus reduce the price of coal to consumers.

The Commission announces from its headquarters in Washington that the code is nearly complete and that rules for the election of district boards have been distributed.

Members of the Commission are: Charles S. Hosford, Jr., chairman; Walter H. Maloney, Percy Tetlow, George E. Acret and C. E. Smith.

Mr. Hosford for the last two years has been legal representative of the Coal Associations of Western Pennsylvania. Mr. Tetlow is a District President of the United Mine Workers of America.

Government Convicts Nine Brokers in Investor Fraud

Denver, Colo. (AFLNS)—Nine men associated with Schoenfeld & Co., a brokerage firm, were convicted by a Federal court jury here of using the mails to defraud investors.

The Government charged the firm with selling fraudulent stock to its clients and then urging them to transfer to "worthless" stocks which the company owned.

Virginia Coal Miners Win Strike for Higher Wages

Norton, Va. (AFLNS)—Representatives of the United Mine Workers of America negotiated an agreement with the Virginia Coal Operators' Association here by which miners in the Virginia coal fields won a wage increase of 50 cents a day for day men and 9 cents per ton for miners who work on a tonnage basis, distributed between machine men and loaders. The strike was declared on September 16.

Union officials said the new contract is based on the Appalachian agreement recently signed in Kentucky providing for $5.10 as the basic day rate compared with $4.60 in the old contract with the Virginia operators.

New York Insurance Broker Accused of $250,000 Fraud

New York (AFLNS)—The authorities here sent John A. Rogers, insurance broker, to jail on the accusation that he is defrauded his clients of around $250,000.

Mrs. Will Rogers, wife of the film comedian, was among the alleged victims.

Kemp was charged with having kept for his own use $11,236.35 sent to him early in September as premium on Rogers' life insurance and also with appropriating a $1,824 dividend intended for Mrs. Rogers.